

## Central Workforce Investment Area RETAIL TRADE ANALYSIS

### Retail Pull Factors

Retail trade is the sale and distribution of merchandise to consumers through either a store location or non-store location such as internet, phone, catalog or advertising.

Retail trade is one of the key economic indicators of regional economies. The retail strength of a county is a function of customer base served, the buying power of the customer base and quality of the retail environment. Retail pull factor measures the retail sales captured by a county across Missouri.

In 2007, 5 counties in the Central Workforce Investment Area had a retail trade pull factor greater than 1 indicating either a gain in customers from other counties or that residents spent more than the state average. On the contrary, 14 counties had a pull factor below 1.0 indicating residents either spent less than their state counterparts or residents purchased more goods outside their county.

#### Retail Trade Sectors

- Apparel and Accessories
- Automotive dealers
- Gasoline service stations
- Building materials,
- Hardware and garden supplies
- Eating and Drinking Places
- Home furniture and furnishings
- Food
- General Merchandise
- Miscellaneous retail

### Retail Industry Facts

#### Employment

**35,895**

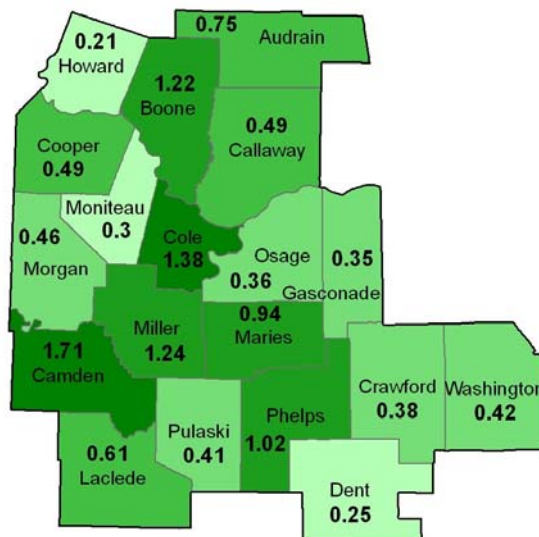
#### Number of Industries

**2,298**

#### Average Wage

**\$21,015**

### 2007 Retail Trade Pull Factor



# RETAIL TRADE ANALYSIS

Retail trade has been particularly strong in the Lake of the Ozarks region, metropolitan areas of Columbia-Jefferson City and counties along major interstate highways. Camden County had the highest pull factor (1.71), followed by Cole (1.38) and Miller (1.24).

Conversely, 14 counties lost retail customers. The counties that lost customers or spent less than the state average were located in the regions surrounding the metropolitan counties. Maries County had the lowest pull factor (0.20), followed by Howard (0.21) and Dent (0.25).

Boone County captured the most retail sales and gained the most retail customers, besides holding the highest market share. Overall, retail customers in Central region spent more than \$4.3 billion in retail purchases in 2007, capturing 9.6% of the market share in Missouri. The retail sales pull factor rankings for the counties in Central region are as follows:

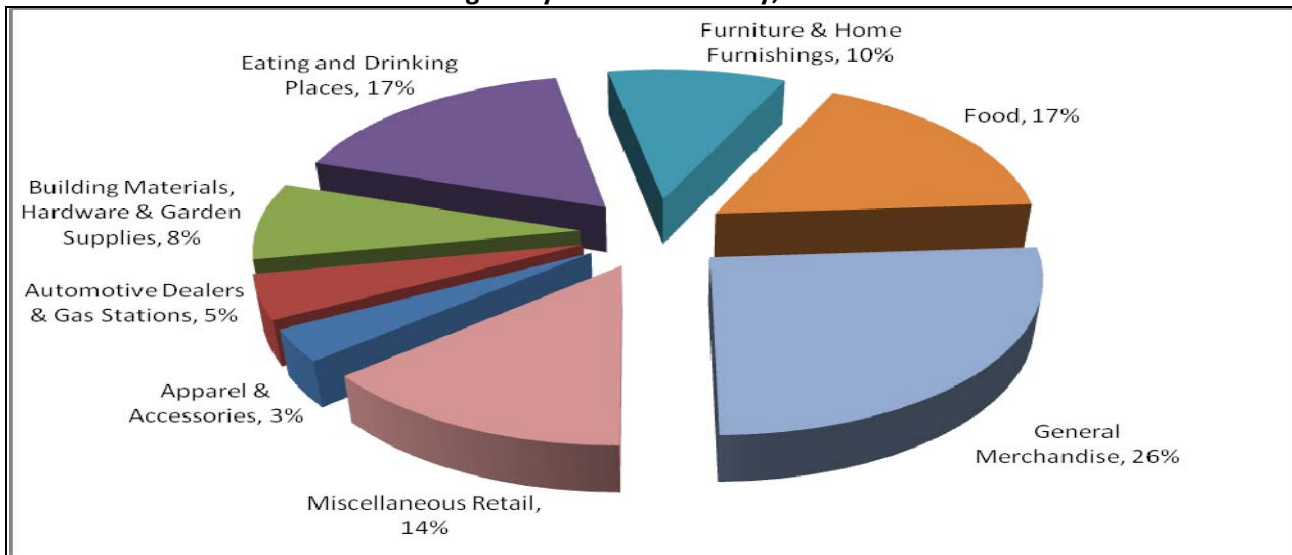
## Retail Sales, Pull Factor, Trade Area Capture (TAC) and Market Share (MS) – Central WIA Region, 2007

COUNTY	CTPF	TAC	MS	RETAIL SALES
CAMDEN COUNTY	1.71	68,369	1.18%	\$533,232,039
COLE COUNTY	1.38	94,932	1.64%	\$740,412,933
MILLER COUNTY	1.24	30,605	0.53%	\$238,702,781
BOONE COUNTY	1.22	184,920	3.19%	\$1,442,255,846
PHELPS COUNTY	1.02	42,850	0.74%	\$334,206,657
AUDRAIN COUNTY	0.75	18,024	0.31%	\$140,575,957
LACLEDE COUNTY	0.61	21,239	0.37%	\$165,653,594
CALLAWAY COUNTY	0.49	19,713	0.34%	\$153,748,011
COOPER COUNTY	0.49	7,575	0.13%	\$59,078,397
MORGAN COUNTY	0.46	9,402	0.16%	\$73,333,442
WASHINGTON COUNTY	0.42	9,638	0.17%	\$75,170,720
PULASKI COUNTY	0.41	17,918	0.31%	\$139,750,000
CRAWFORD COUNTY	0.38	9,047	0.16%	\$70,559,694
OSAGE COUNTY	0.36	4,721	0.08%	\$36,824,100
GASCONADE COUNTY	0.35	5,327	0.09%	\$41,544,174
MONITEAU COUNTY	0.30	4,096	0.07%	\$31,946,422
DENT COUNTY	0.25	3,686	0.06%	\$28,750,062
HOWARD COUNTY	0.21	2,006	0.03%	\$15,645,302
MARIES COUNTY	0.20	1,827	0.03%	\$14,246,677
<b>Central WIA Total</b>		<b>555,896</b>	<b>9.60%</b>	<b>\$4,335,636,808</b>

# RETAIL TRADE ANALYSIS

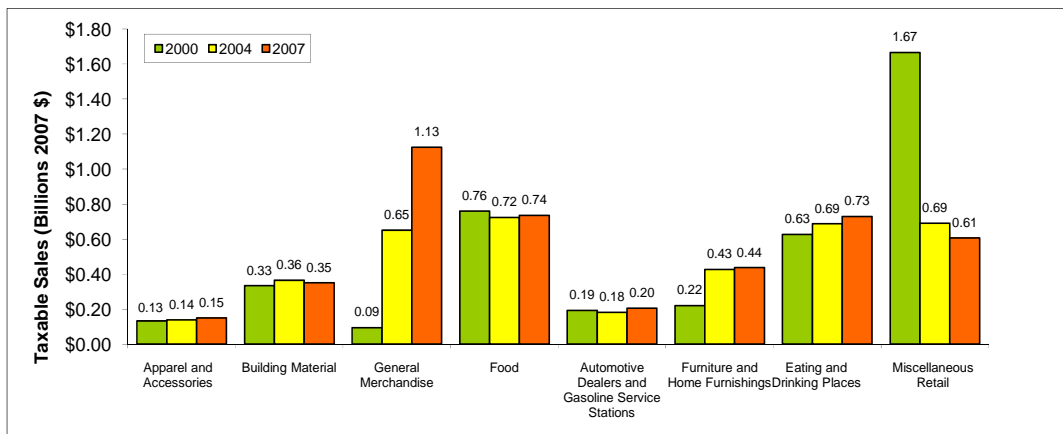
In 2007, in terms of percentage of retail sales by industry, a majority of retail sales were in the general merchandise sector (26%), followed by food as well as eating and drinking places (17% each), miscellaneous retail (14%) and furniture and home furnishings (10%). Building materials, automotive dealers and apparel accounted for the balance of retail sales (16%) in the Central region.

**Percent Retail Sales in Central WIA Region by Detailed Industry, 2007**



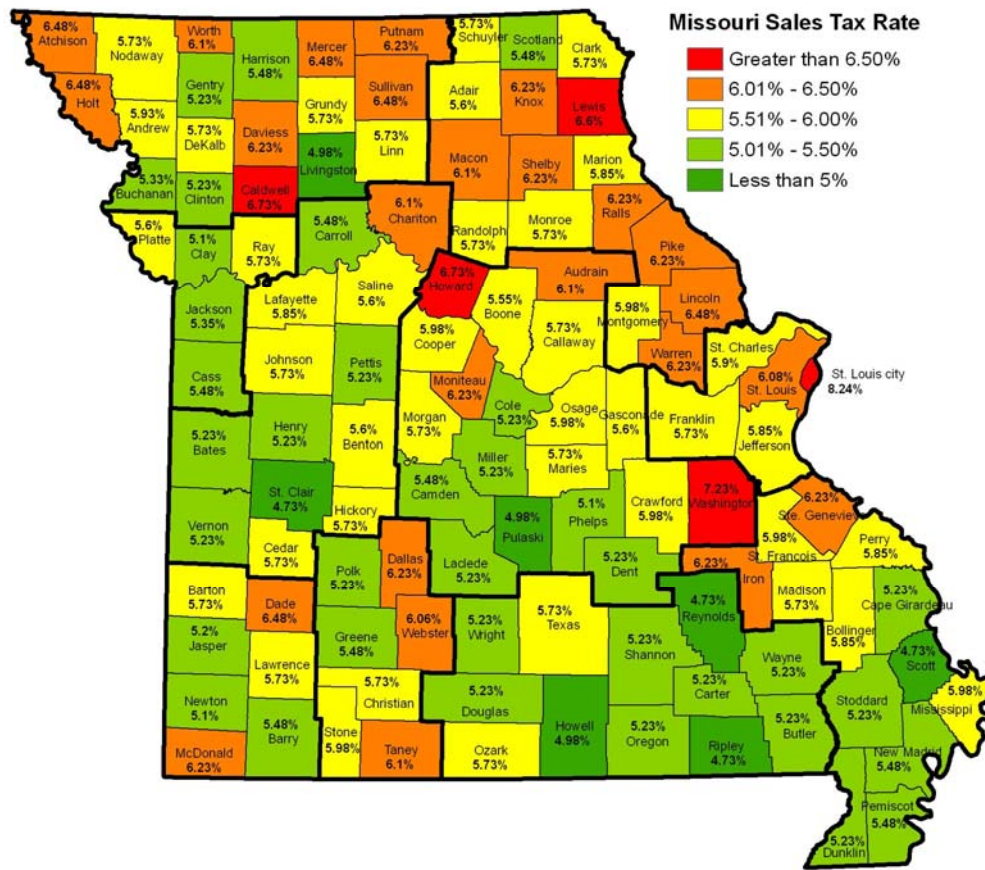
In terms of retail sales trends, the greatest increase in seven years was in general merchandise, and the steepest decline was in miscellaneous retail sectors. Consumer spending on food, apparel and automotive stayed roughly about the same but retail expenditure on food away from home, building materials, and furniture increased.

**Comparison of Taxable Sales by Detailed Industry in Central WIA Region, 2000, 2004 and 2007**



# RETAIL TRADE ANALYSIS

## Missouri Sales Tax Rates



The map above presents the combined state and county sales tax rate excluding the local sales taxes. Sales tax rates in Missouri range from 4.73% to 8.24%. Within the Central region, Washington County has the highest sales tax rate (7.23%) followed by Howard (6.73%) and Moniteau (6.23%).

On the contrary, Pulaski County has the lowest sales tax rate (4.98%), followed by Phelps (5.10%) and Miller (5.23%). Lower sales taxes may attract retail customers as evident in regions like the Lake of Ozarks (5.48%).

The average sales tax rate for Missouri is 5.72%. 10 counties in the Central region have a retail sales tax rate above the state average and 9 counties have a sales tax rate below the state average.

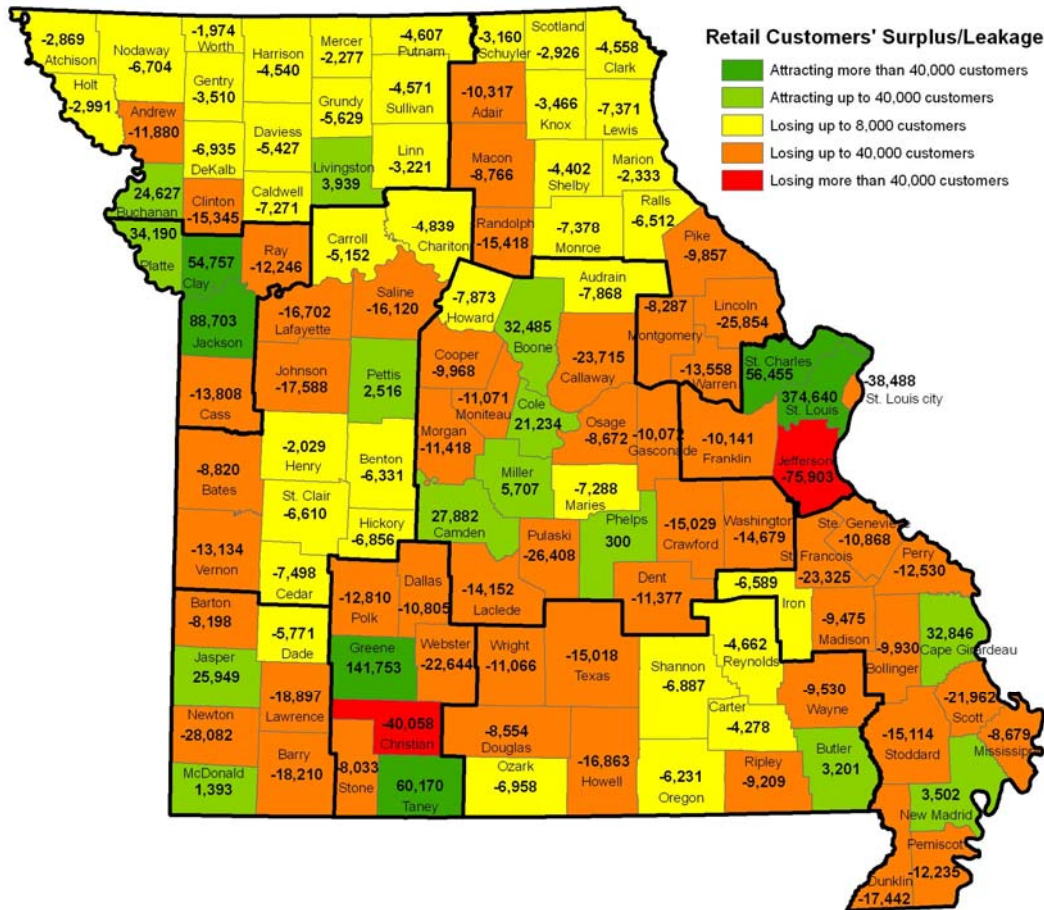
COUNTY	SALES TAX	RANKING
WASHINGTON	7.23%	1
HOWARD	6.73%	2
MONITEAU	6.23%	3
AUDRAIN	6.10%	4
COOPER	5.98%	5
CRAWFORD	5.98%	6
OSAGE	5.98%	7
CALLAWAY	5.73%	8
MARIES	5.73%	9
MORGAN	5.73%	10
GASCONADE	5.60%	11
BOONE	5.55%	12
CAMDEN	5.48%	13
COLE	5.23%	14
DENT	5.23%	15
LACLEDE	5.23%	16
MILLER	5.23%	17
PHELPS	5.10%	18
PULASKI	4.98%	19

Source: Missouri Department of Revenue – Sales Tax Rate Tables

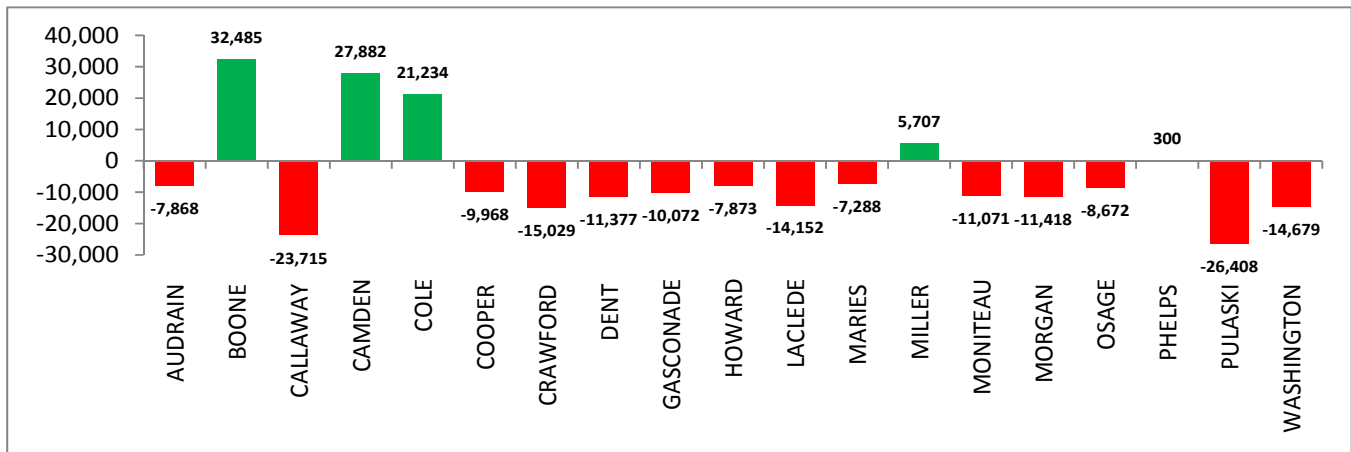


# RETAIL TRADE ANALYSIS

## Commuting Patterns of Retail Customers

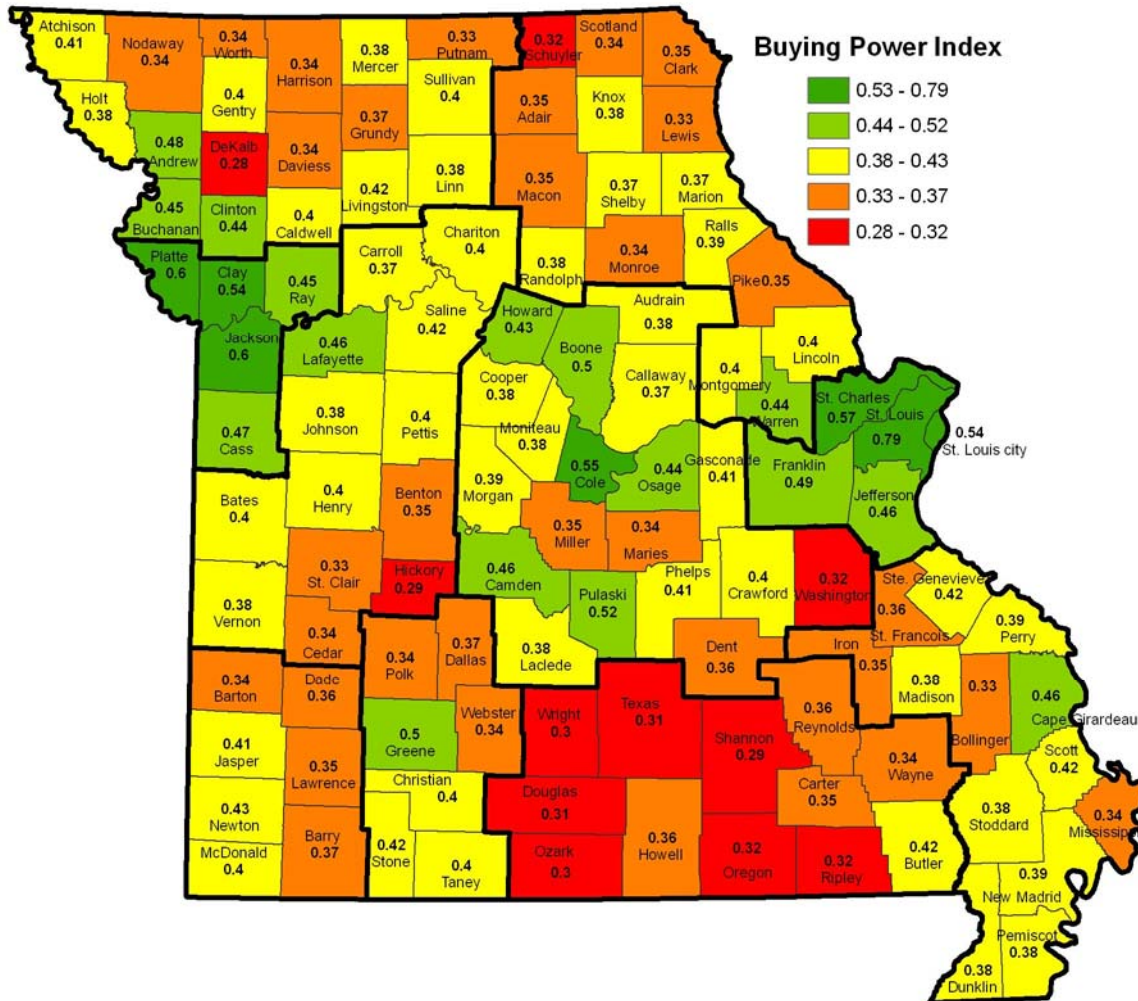


Retail customers travel across county borders to purchase goods and services. The map above illustrates the number of retail customers either coming in to a county or leaving a county for retail purchases. In the Central region as shown in the graph below, Boone, Cole, Miller, Camden and Phelps counties display a net in-commuting pattern whereas all the other counties display a net out-commuting pattern.



## RETAIL TRADE ANALYSIS

## Buying Power Index



The buying power index is a measure of the capability of the retail customers living in that county to buy retail goods. The higher the index, the greater the ability to buy retail goods and support retail activity in the region. In Central region, the buying power of retail customers in Howard, Boone, Cole, Osage, Camden and Pulaski is relatively higher than the rest of the counties in the region. The buying power of retail customers in Washington, Miller, Maries and Dent is relatively lower than the rest of the counties in the region.

The buying power index is calculated by the following equation:

$$\text{BPI} = \frac{(2 * \text{Population \%}) + (3 * \text{Retail Sales \%}) + (5 * \text{Per capita income \%})}{10 \text{ (sum of the weights)}}$$

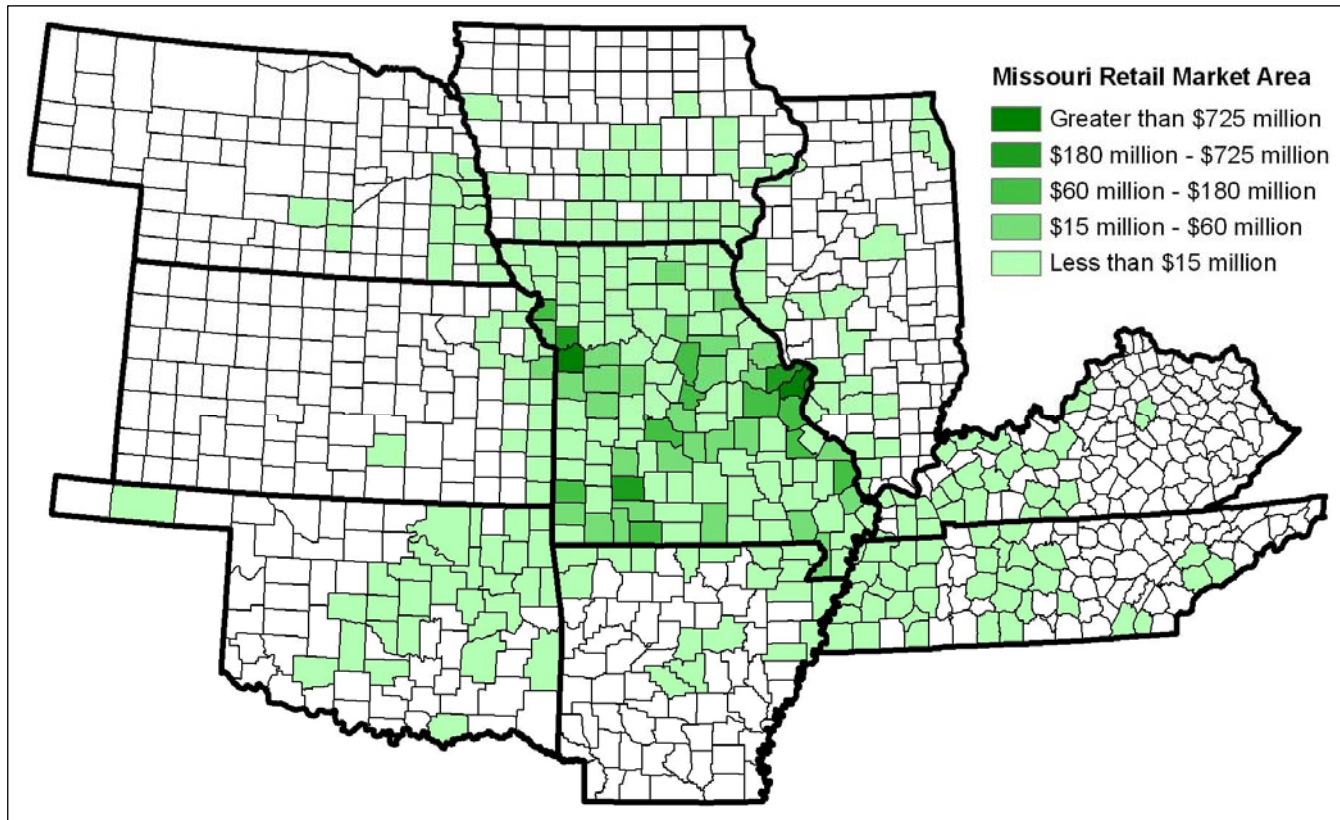
Where Population % is the percentage of county population to that of the State of Missouri.

Retail Sales % is the percentage of retail sales in the county to that of the State of Missouri.

Per capita income % is the percentage of per capita income in the county to that of the State of Missouri.

## Retail Market Area

### Missouri Retail Market Area



Source: Minnesota IMPLAN Group, Commodity Trade Flows, 2006.

The map above shows the Missouri retail market area from which retail stores and consumers purchase apparel, furniture, general merchandise and miscellaneous retail goods.

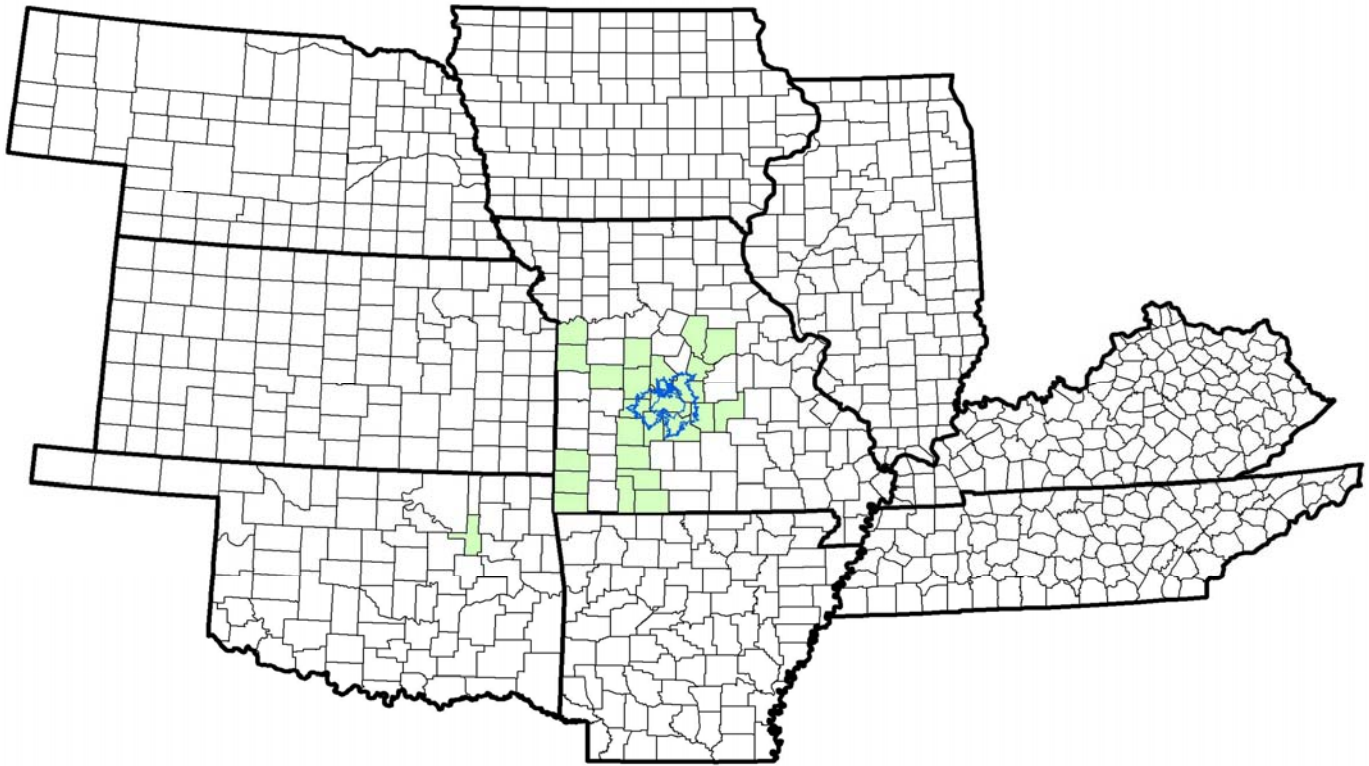
In 2007, Missouri retail customers purchased over \$5.8 billion in apparel, furniture, general merchandise and miscellaneous retail goods. The Missouri retail market includes all of Missouri and extends to all surrounding states. The volume and value of purchases by major metropolitan areas like Kansas City, St. Louis, Springfield, and St. Joseph were relatively higher than the rest of Missouri.

While the market area for general merchandise and miscellaneous retail was relatively widespread, the market area for apparel and furniture was relatively limited.

Within the Central region, a majority of Missouri retail goods were purchased by retail stores and consumers in Columbia, Jefferson City, and Lake of the Ozarks.



## Camden County Retail Market Area



Source: Minnesota IMPLAN Group, Commodity Trade Flows, 2006.

Camden County has the largest pull factor in the Central region. The map above shows the retail market area for Camden County from which retail customers and stores purchase apparel, furniture, general merchandise and miscellaneous retail goods.

In 2007, Camden County retail customers predominantly resided in Camden, Cole, Pulaski, Taney, Greene and Hickory. Some retail goods were purchased from as far as Tulsa, Oklahoma. The blue boundary indicates the local market from which customers purchase retail goods and services within an hour of driving distance from Camdenton.

